

File No. 100855

Committee Item No. 1

Board Item No. 37

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: BUDGET AND FINANCE

Date: July 14, 2010

BOARD OF SUPERVISORS MEETING

Date: 7/20/10

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
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| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Ethics Form 126</u> |
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Completed by: Andrea S. Ausberry

Date Friday, July 9, 2010

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Approve San Francisco Public Utilities Commission Calaveras Dam Replacement
2 Construction Management Contract]

3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**
4 **Commission to execute Water System Improvement Program-funded Professional**
5 **Service Agreement No. CS-911R, Calaveras Dam Replacement Construction**
6 **Management Services, with Black and Veatch, for an amount not-to-exceed \$38,000,000**
7 **with a term of up to five years and six months, pursuant to San Francisco Charter**
8 **Section 9.118.**

9
10 WHEREAS, It is necessary to procure the services of a qualified Construction
11 Management firm to provide specialized construction management services to supplement
12 SFPUC staff through the Agreement No. CS-911R, Calaveras Dam Replacement
13 Construction Management Services, which includes Construction Management Services for
14 Calaveras Dam Replacement Project, and

15 WHEREAS, The estimated cost of services is up to \$38,000,000, subject to the San
16 Francisco Public Utilities Commission's (SFPUC) subsequent consideration and action on the
17 proposed project, pursuant to the California Environmental Quality Act (CEQA); and

18 WHEREAS, The request for proposals was advertised on February 22, 2010; and

19 WHEREAS, The duration of the agreement is up to five years and six months, with
20 services anticipated to begin in July 2010 and end in December 2015, if the SFPUC approves
21 the proposed project; and

22 WHEREAS, Black and Veatch was the highest-ranking proposer for CS-911R; and

23 WHEREAS, An HRC sub-consulting goal of 14% LBE participation of the total labor
24 value of the services to be provided, excluding specialized naturally occurring asbestos (NOA)

1 compliance monitoring and advisory services, has been established and approved for this
2 agreement by the HRC Contract Compliance Officer assigned to the SFPUC; and

3 WHEREAS, Funds for this agreement will be available at the time of award of the
4 agreement from Project CUW37401 - Calaveras Dam Replacement; and

5 WHEREAS, SFPUC Resolution No. 10-0096 approved the selection of Black and
6 Veatch; awarded Water System Improvement Program-funded Agreement No. CS-911R,
7 Calaveras Dam Replacement Construction Management Services, to provide construction
8 management services for the Calaveras Dam Replacement Project; and authorized the
9 General Manager of the SFPUC to negotiate a professional services agreement with Black
10 and Veatch for an amount not to exceed \$38,000,000, and with a duration of up to five years
11 and six months, or, in the event negotiations are not successful or City requirements are not
12 satisfied, to negotiate a professional services agreement with the next highest ranked
13 proposer, provided that expenditures shall be limited to pre-construction activities until such
14 time as the Commission reviews and considers the proposed Project's CEQA documents and
15 determines whether or not to approve the proposed Project; and authorized the General
16 Manager to execute the agreement, subject to Board of Supervisors' approval pursuant to
17 Charter Section 9.118; now, therefore, be it

18 RESOLVED, That this Board of Supervisors hereby approves and authorizes the
19 General Manager of the SFPUC to execute, the Water System Improvement Program-funded
20 Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services
21 with Black and Veatch for an amount not to exceed \$38,000,000, pursuant to Charter Section
22 9.118, in substantially the form on file with the Clerk of the Board, and in such final form as
23 approved by the General Manager and the City Attorney.
24
25

Item 1 Files 10-0855	Department(s): Public Utilities Commission (PUC)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objective</p> <ul style="list-style-type: none"> • Resolution authorizing the Public Utilities Commission (PUC) to award a new professional services agreement to Black and Veatch, to provide construction management services for the PUC's Calaveras Dam Replacement Project, one of the largest projects among the 85 projects included in the PUC's Water System Improvement Program (WSIP). The proposed not-to-exceed \$38,000,000 agreement would extend for a term of five years and six months (66 months). <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed professional services agreement in a not-to-exceed amount of \$38,000,000 would be funded by the proceeds from Water Revenue Bonds, which were previously appropriated by the Board of Supervisors on April 20, 2010 (File 10-0337). <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Calaveras Dam Replacement Project is a \$432,413,000 project to construct a new 210 foot high and 1,210 foot long dam at the Calaveras Reservoir in order to provide increased seismic reliability of the dam and restore the water storage capacity of the Calaveras Reservoir to its historic capacity of 31,558,669,350 gallons from the current capacity of 12,613,007,940 gallons. The PUC is now requesting authorization to award a professional services agreement, subsequent to a competitive Request for Proposals process, to Black and Veatch for construction management services for the Calaveras Dam Replacement Project. • The PUC's budget for the Calaveras Dam Replacement project is \$409,445,000. However, the project is currently forecasted to cost \$432,413,000, or \$22,968,000 more than the budgeted amount. According to Ms. Rosiana Angel, Manager of Infrastructure Budgeting and Administrative Services at the PUC, this forecasted cost increase of \$22,968,000 is due to anticipated increased environmental mitigation requirements associated with (a) the restoration of steelhead trout (an endangered species) into the Alameda Creek, and (b) the presence of naturally-occurring asbestos at the construction site. Ms. Angel advised that the final environmental mitigation requirements will be known when the Environmental Impact Report is finalized in November of 2010. • Although the current forecasted cost of the Calaveras Dam Replacement Project has increased by \$22,968,000 over the PUC's previously approved budget, the overall WSIP currently forecasted cost of \$4,579,374,000 is \$6,182,000 lower than the previously estimated overall WSIP budget of \$4,585,556,000 due to decreased forecasted costs in other WSIP projects. Therefore, according to Ms. Angel, the PUC does not anticipate requiring a supplemental appropriation to complete the Calaveras Dam Replacement Project. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT AND BACKGROUND

Mandate Statement

The proposed agreement, in a not-to-exceed amount of \$38,000,000, for a term of five years and six months, is subject to Board of Supervisors approval because City Charter Section 9.118 states that the award of any agreement exceeding either (a) \$10,000,000 in anticipated expenditures, or (b) a term of 10 years, is subject to Board of Supervisors approval.

Background

According to Ms. Rosiana Angel, Manager of Infrastructure Budgeting and Administrative Services at the PUC, the Calaveras Dam Replacement Project is one of 85 projects included in the PUC's Water System Improvement Program (WSIP)¹. The Calaveras Dam Replacement Project, currently estimated to cost \$432,413,000, is a capital improvement project to replace the existing Calaveras Dam in the Sunol Valley.

Due to seismic safety concerns, the existing Calaveras Reservoir currently operates under a restriction imposed in 2001 by the California Division of Safety of Dams that limits the storage of water to only 40 percent of the normal reservoir capacity of 96,850 acre feet of water (or 31,558,669,350 gallons). The Calaveras Dam Replacement Project would construct a new 210 foot high and 1,210 foot long dam at the Calaveras Reservoir in order to provide increased seismic reliability of the dam and restore the water storage capacity of the Calaveras Reservoir to its original level of 96,850 acre feet of water, or 31,558,669,350 gallons, instead of the currently restricted amount of 38,740 acre feet of water, or 12,613,007,940 gallons.

According to the most recent WSIP Quarterly Report published May 18, 2010, the total estimated cost of the Calaveras Dam Replacement Project is \$432,413,000 and construction of the Project is anticipated to begin in March of 2011 and be completed by approximately December of 2015.

The PUC issued a competitive Request for Proposals (RFP) on February 22, 2010 for the subject construction management services agreement. Proposals were received by the PUC from three firms which were invited for oral interviews. Black and Veatch received the highest score of 89.3 points from the PUC Evaluation Committee, as shown in Table 1 below.

Table 1: RFP Scoring Results

Firm	Written Proposal (55 points)	Oral Interview (30 points)	Cost Score (15 points)	Total (100 points)
Black and Veatch	49.1	25.2	15.0	89.3
MWH Constructors	47.0	25.7	14.0	86.7
Paul C. Rizzo Associates	40.2	20.0	15.0	75.2

¹ Propositions A and E, which were approved by the San Francisco voters on November 4, 2002, authorized the issuance of Water Revenue Bonds to finance the PUC's \$4,579,374,000 WSIP, consisting of 85 separate projects designed to provide increased water delivery and seismic reliability throughout the Hetch Hetchy water system.

Section 33 of the proposed agreement (a) includes a Local Business Enterprise (LBE) subconsulting requirement of 14 percent, (b) requires Black and Veatch to report the amount of work awarded to LBE sub consultants with each invoice Black and Veatch submits to the City, and (c) states that if Black and Veatch “willfully fails to comply” with the LBE participation requirement, Black and Veatch shall be liable for damages equal to the greater of (i) their net profit, or (ii) 10 percent of the total contract amount (or \$3,800,000).

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the General Manager of the PUC to execute a professional services agreement with Black and Veatch, to provide construction management services for the Calaveras Dam Replacement Project, in an amount not-to-exceed \$38,000,000 for a term of up to five years and six months, estimated to begin on August 1, 2010 and expire on January 31, 2016². According to Ms. Angel, the not-to-exceed amount of \$38,000,000 is the estimated maximum cost of the proposed agreement and the PUC does not anticipate future modifications to the scope of services or total cost of the agreement. Table 2 below shows the anticipated expenditure plan for the proposed construction management contract in a not-to-exceed amount of \$38,000,000.

Table 2: Anticipated Expenditures Under Proposed Agreement

PRE-CONSTRUCTION TASKS (8 Months)	Amount
Constructability Review, Construction Schedule Review, Construction Management Plan, Quality Assurance Plan, Safety Plan, and Scheduling	\$301,865
Independent Technical Review, Permit Assistance, Right of Way, Community Outreach, Risk Plan	399,972
Environmental Surveys, Relocation of Endangered Species, Mitigation Monitoring Plans, Asbestos Compliance Management Plan, Requirements for Equipment Monitoring and Testing Labs	400,000
Construction Contract Bid & Award Assistance, Pre-Bid Conference, Pre-Construction Conference	100,000
Site Specific Storm Water Pollution Control Planning	100,000
Other Direct Charges ³ & Mark-up Fees	350,000
Subtotal	\$1,651,837
CONSTRUCTION & CLOSEOUT TASKS (58 Months)	
Safety, Quality Control, Project Controls, Environmental Compliance, Asbestos Compliance Management, Community Outreach, Testing & Start-up, Project Acceptance, Closeout & Turnover	28,064,820
Other Direct Charges & Mark-up Fees	8,146,219
Subtotal	\$36,211,039
TOTAL⁴ (66 Months)	\$37,862,876

² According to Ms. Angel, the proposed construction management contract extending from August 2010 through January 2016, exceeds the project construction period from March 2011 through December of 2015 to allow for construction management tasks which occur both before construction begins (such as assistance in awarding the construction contract) and after construction ends (such as verifying the project is built to specifications).

³ Other Direct Charges include travel costs, equipment rental, and other fee-based services.

⁴ The PUC rounded the total anticipated expenditures of \$37,862,876 to \$38,000,000 in setting the proposed agreement's not-to-exceed amount.

Ms. Angel advises that an outside contractor is necessary to augment construction management services provided by the PUC's in-house construction management staff on the Calaveras Dam Replacement Project because the expertise and capabilities of the PUC's in-house construction management staff are not adequate for the scope and complexity of construction management services required by this project.

According to the proposed agreement, specific task orders will be prepared to identify a detailed project scope, sub tasks, staffing plan, Local Business Enterprise (LBE) utilization under the construction contract, schedule, deliverables, budget, and costs to complete each task. Black and Veatch will receive payment from the PUC only when services required under the proposed agreement are received and approved by the PUC.

The proposed agreement requires Black and Veatch to maintain, and make available to the PUC, accurate books and accounting records relating to its work under the agreement. The PUC has the right to audit these records and associated invoices, payrolls, and other records.

Further, according to Section 21 of the proposed agreement with Black and Veatch, the PUC maintains the right to terminate the agreement at any time, with at least 14 days written notice, without penalty.

FISCAL IMPACT

The proposed construction management agreement in a not-to-exceed amount of \$38,000,000 would be funded by the proceeds from \$1,647,249,198 in Water Revenue Bonds, which were previously appropriated by the Board of Supervisors on April 20, 2010 in File 10-0337. The debt service on such Water Revenue Bonds is paid through water rates charged to PUC's water customers⁵.

POLICY CONSIDERATIONS

The Calaveras Dam Replacement Project is currently estimated to cost \$432,413,000, or \$22,968,000 more than the project budget of \$409,445,000.

The PUC's budget for the Calaveras Dam Replacement project is \$409,445,000. However, the project is currently forecasted to cost \$432,413,000, or \$22,968,000 more than the PUC's previously approved budget. According to Ms. Angel, this forecasted cost increase of \$22,968,000 is due to anticipated increased environmental mitigation requirements associated with (a) the restoration of steelhead trout (an endangered species) into the Alameda Creek, and (b) the presence of naturally-occurring asbestos at the construction site. Ms. Angel advised that the final environmental mitigation requirements will be known when the Environmental Impact Report is finalized in November of 2010.

Although the current forecasted cost of the Calaveras Dam Replacement Project has increased by \$22,968,000 over the PUC's previously approved budget, the overall WSIP forecasted cost

⁵ Water rates through FY 2013-2014 were considered approved by the Board of Supervisors on June 5, 2009 because, pursuant to Proposition E approved by the voters on November 5, 2002, the rates were not rejected by the Board of Supervisors within 30 days of their submission.

of \$4,579,374,000 is \$6,182,000 lower than the PUC's previously estimated overall WSIP approved budget of \$4,585,556,000 due to decreased forecasted costs in other WSIP projects. Therefore, according to Ms. Angel, the PUC does not anticipate requiring a supplemental appropriation for the Calaveras Dam Replacement Project. However, the Budget and Legislative Analyst notes that WSIP project funds are appropriated to the PUC by region, such that the reallocation of funds to the Sunol Valley Region (which includes the Calaveras Dam Replacement Project) from any other region would require approval by the Board of Supervisors.

The Environmental Impact Report for the Calaveras Dam Replacement Project is not yet complete.

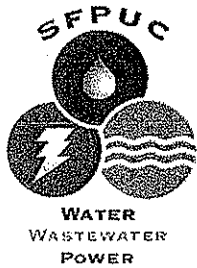
Ms. Angel estimates that the Environmental Impact Report (EIR) for the Calaveras Dam Replacement Project, as required by the California Environmental Quality Act (CEQA), will be completed in November of 2010. Ms. Angel advised the PUC anticipates introducing a resolution adopting the findings of the EIR to the Board of Supervisors in November of 2010. Ms. Angel advised that the \$432,413,000 current estimated cost of the Calaveras Dam Replacement Project includes the cost of mitigation measures identified in the current draft EIR.

The proposed agreement for construction management services is anticipated to start on August 1, 2010, three months prior to the anticipated approval of the EIR. According to Ms. Angel, awarding this agreement prior to the completion of the environmental review process would accelerate the completion of the project by approximately three months (when compared to awarding the agreement after the environmental review process has been completed), because it would allow for three of the eight months of necessary pre-construction services under this agreement (as shown in Table 2 above) to be performed in parallel to the environmental review process, rather than in sequence.

Should the environmental review of the Calaveras Dam Replacement Project not be approved, Ms. Angel advises that the PUC could terminate the proposed agreement with Black and Veatch for convenience pursuant to Section 21 of the agreement, as discussed above.

RECOMMENDATION

Approve the proposed resolution.



SAN FRANCISCO PUBLIC UTILITIES COMMISSION



PROJECT MANAGEMENT BUREAU
INFRASTRUCTURE DIVISION
SURINDERJEET BAJWA, BUREAU MANAGER

1155 MARKET STREET, 6TH FLOOR • SAN FRANCISCO, CA 94103 • TEL. (415) 551-4514 • FAX (415) 551-4695

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Nathan Purkiss

DATE: June 21, 2010

File 100855

SUBJECT: Resolution Approving SFPUC Water System Improvement Program (WSIP) Contract for Calaveras Dam Replacement Project Construction Management Services, pursuant to Charter Section 9.118

GAVIN NEWSOM
MAYOR

F.X. CROWLEY
PRESIDENT

FRANCESCA VIETOR
VICE PRESIDENT

ANN MOLLER CAEN
COMMISSIONER

JULIET ELLIS
COMMISSIONER

ANSON B. MORAN
COMMISSIONER

ED HARRINGTON
GENERAL MANAGER

Please find the original and 4 copies of the resolution attached to this cover letter, as well as supplemental materials regarding the resolution.

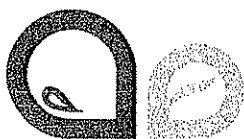
Attached is a resolution approving, and authorizing the General Manager to execute, the Water System Improvement Program-funded professional services Agreement No. CS-911R, Construction Management Services for the Calaveras Dam Replacement Project between the San Francisco Public Utilities Commission (SFPUC) and Black and Veatch, pursuant to Charter Section 9.118. A copy of the SFPUC Resolution authorizing the contract, and the proposed contract, are provided for the file.

Departmental representative to receive a copy of the adopted resolution:

Name: Nathan Purkiss Phone: (415) 554-3404

Interoffice Mail Address: 1155 Market Street, 11th Floor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2010 JUN 21 AM 11:35
BY _____ AK



**HETCH HETCHY
WATER SYSTEM
IMPROVEMENT
PROGRAM**

**FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL**
S.F. Campaign and Governmental Conduct Code § 1.126

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, San Francisco Board of Supervisors	City elective office(s) held: Members, San Francisco Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: Black & Veatch Corporation	
<p><i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i></p> <p align="center">Please see attachment</p>	
Contractor address: Black & Veatch Corporate Headquarters – 8400 Ward Parkway, Kansas City, MO 64114 Black & Veatch San Francisco office: 650 California Street, Fifth Floor, San Francisco, CA 94108	
Date that contract was approved:	Amount of contract: \$38,000,000
Describe the nature of the contract that was approved: Provide construction management services to SFPUC project CUW 37401 Calaveras Dam Replacement Project.	
Comments:	

This contract was approved by (check applicable):

- the City elective officer(s) identified on this form
- a board on which the City elective officer(s) serves San Francisco Board of Supervisors
Print Name of Board
- the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Clerk of the San Francisco Board of Supervisors	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: bos.legislation@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

Attachment to Contractor Information – Form SFEC 126

BLACK & VEATCH CORPORATION
CS-911R – Construction Management Calaveras Dam Replacement Project

(1) Black & Veatch Board of Directors

Timothy W. Triplett, General Counsel and Board Secretary, Black & Veatch

O.H. "Dean" Oskvig, President and CEO, Black & Veatch Energy, Black & Veatch

Joseph Nemec, Jr., Retired Senior Vice President, Booz & Co.

H.P. Goldfield, Vice Chair, Albright Stonebridge Group

W. Patrick Campbell, Independent Consultant in the Telecom and Media Industries

T.M. "Don" Buck, Jr., Retired Vice President, Fluor Daniel

Anthony G. "Tony" Fernandes, Former Chairman, President and CEO, Philip Services Corporation

Daniel W. McCarthy, President and CEO, B&V Water, Black & Veatch

Steven H. Wunning, Group President and Executive Office Member, Caterpillar Inc.

Karen L. Daniel, Chief Financial Officer, Black & Veatch

Martha W. Gilliland, Executive Director, Literacy for Life Coalition, Former Chancellor, University of Missouri-Kansas City

Len C. Rodman, Chairman, President and CEO, Black & Veatch

(2) Chief Executive Officer: Len C. Rodman

Chief Financial Officer: Karen L. Daniel

Chief Operating Officer: Not applicable

(3) Person(s) with 20 percent or more ownership in Black & Veatch:

None / Zero

(4) Subcontractors listed in the bid:

Applied Technology and Science

Avila and Associates

BioMaAs

Dabri, Inc.

DKCG, Inc.

Eagle Environmental Construction

Hatch Mott MacDonald

Holman & Associates

Jonas and Associates

Kleinfelder

Lee Incorporated

SCA Environmental

Shaw Environmental and Infrastructure Group

Sonika Corporation

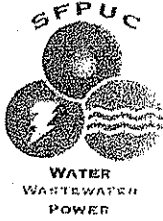
Terra Engineers, Inc.

Thier PR

Contract Labor: Rudy Von Burg, Scott Cressey, Joe McNeil, Douglas Condie

(5) Political Committee Sponsored by or Controlled by Black & Veatch:

None / Zero



AGENDA ITEM
Public Utilities Commission
City and County of San Francisco



DEPARTMENT Water Enterprise

AGENDA NO. 12

MEETING DATE June 8, 2010

Professional Services Award: Regular Calendar
Project Manager: Dan Wade

Agreement No. CS-911R, Award, Calaveras Dam Replacement Construction Management Services

<p>Summary of Proposed Commission Action:</p>	<p>Approve the selection of Black and Veatch; award Water Enterprise Water System Improvement Program-funded Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services, to provide construction management services; and authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to negotiate and execute a professional services agreement with Black and Veatch for an amount not-to-exceed \$38,000,000 and with a duration of 5 years and 6 months, provided that expenditures shall be limited to pre-construction activities until such time as the Commission reviews and considers the Final Environmental documents and determines whether or not to approve the proposed Project, subject to the Board of Supervisors approval pursuant to Charter Section 9.118.</p>
<p>Background & Description of Scope of Services:</p>	<p>Background: Situated on the border between Alameda and Santa Clara Counties, the existing Calaveras Dam and Reservoir are important components of the SFPUC Regional Water System. Constructed in 1925 and later modified, Calaveras Dam allows for storage of approximately 96,850 acre-feet (AF) (31 billion gallons) of local watershed runoff in the Alameda Creek watershed. At this level of storage, Calaveras Reservoir is the largest SFPUC San Francisco Bay Area (local) reservoir, providing about 40 percent of the SFPUC's local water storage and 66 percent of local water yield.</p> <p>In response to safety concerns about the seismic stability of the dam and a mandate from the California Department of Water Resources,</p>

APPROVAL:

DEPARTMENT / BUREAU

[Signature]

FINANCE

Todd L. Rydstrom

COMMISSION SECRETARY

Mike Housh

GENERAL MANAGER

Ed Harrington

[Signature]

* To view full document Request file # 100855

Division of Safety of Dams (DSOD), the SFPUC lowered water levels in the reservoir beginning in the winter of 2001. The elevation of the lowered water level corresponds to about 38,100 AF of storage, which is approximately 60 percent less than the previous normal maximum water storage capacity. DSOD has indicated that it is allowing this interim operating level to accommodate a small portion of the water supply needs with the understanding that the SFPUC is pursuing an aggressive schedule to rebuild the dam in order to eliminate the seismic safety concerns associated with the original dam.

The overall purpose of the proposed Calaveras Dam Replacement Project (CDRP) is to replace the existing dam with a new earth and rock fill embankment dam that will accommodate a public water supply reservoir of the same size as the original (96,850 AF) and will meet current seismic safety design requirements. When the proposed replacement dam is completed, the DSOD restrictions will be lifted and the original reservoir pool can be restored.

The SFPUC's Water System Improvement Program (WSIP) has identified the CDRP as a "Key Regional Project." Each of the key regional projects is needed to meet overall system performance and level of service objectives. The CDRP has the following primary project-specific objectives that support the delivery and system performance goals of the WSIP:

- Re-establish water delivery reliability;
- Restore water supply capacity of the reservoir to its pre-2001 restriction level of 96,850 acre-feet (AF) using water from the Alameda Creek watershed;
- Improve seismic reliability through construction of a replacement dam designed to safely retain 96,850 AF of water and withstand the maximum credible earthquake (7.25 moment magnitude) on the Calaveras Fault; and
- Construct a new dam with a robust design (wide centrally located clay core, wide filters, and internal drainage) that could accommodate potential enlargement by future generations.

The Secondary Objectives of the CDRP are as follows:

- Continue reservoir and outlet works operation, to the extent possible, during construction; and,
- Maintain high water quality, re-creating a deep pool that is able to keep cooler water temperatures that limit algal growth in the reservoir.

The CDRP has a California Environmental Quality Act (CEQA) document currently in progress at the Draft Environmental Report public review phase. The Commission will review and consider the above environmental documents and make a determination on the Project, as will the Board of Supervisors with respect to the appropriation of construction funding. The Request for Proposal

(RFP) for the subject Professional Services Agreement clearly stated that, "Until the CEQA review process is completed, the City retains sole and absolute discretion to, among other things, modify the project to mitigate significant environmental impacts, or elect not to proceed with the project based upon information generated by the environmental review process." The Commission, in approving the award of this construction management agreement is not approving the proposed Project. The agreement allows for termination for convenience for any purpose, including as a result of any decision that the Commission may make about the proposed Project, following review and consideration of the certified final environmental document.

This agreement is part of the approved Construction Management (CM) Plan for the Water System Improvement Program (WSIP). It includes services to manage the construction activities of the proposed Project.

Description of Scope of Services:

The work under this agreement consists of:

- Pre-construction Phase Services
 - Review the Design Engineer's construction schedule and provide constructability review of construction bid documents
 - Provide Bid and Award Phase assistance
 - Provide assistance with permits and rights-of-way
 - Provide construction contract requirements for CM field offices and other project related costs/services
 - Provide resource loaded Task Plan
 - Participate in the Pre-Construction Conference
 - Provide project-specific CM Plan in accordance with WSIP CM Plan
 - Provide other support activities necessary for the award of the construction contract and initiation of the construction work
- Construction Phase Services
 - Provide CM services to manage and administer the construction of the Calaveras Dam Replacement Project in accordance with the WSIP CM Plan
 - Provide Quality Assurance (QA) services including testing and field investigations for construction contract
 - Provide Environmental Compliance Monitoring, Inspection, and Support services
 - Provide Naturally Occurring Asbestos Compliance

	<p>Monitoring, Inspection, and Support services</p> <ul style="list-style-type: none"> ○ Assist with the implementation of the Project Labor Agreement (PLA) ○ Assist with SFPUC's public outreach effort for the Calaveras Dam Replacement Project during construction ○ Provide Testing and Startup Management services ○ Assist with activities associated with the Acceptance of the Work, Close-out, and Turnover ○ Provide other support activities necessary for the management of the construction work
Result of Inaction:	<p>A delay in award will potentially delay the construction of the proposed Project, thus extending the risks associated with delivery reliability, water supply and seismic reliability associated with the existing Calaveras Dam and Reservoir.</p> <p>A delay in award will also result in not being able to get the CM firm's input on the pre-construction activities for the Project. This input is critical for the successful implementation of the Project. It may also result in delay of start of construction of the Project which has a tight shutdown schedule. A delay in the shutdown schedule of the Project has direct implications on the completion schedule for the Project and potentially the schedule of other WSIP projects.</p>
Budget & Costs:	<p>Not-to-Exceed Amount: \$38,000,000</p> <p>Funds will be available at the time of award of the agreement from Project CUW37401 – Calaveras Dam Replacement.</p>
Schedule:	<p>Advertised Date: February 22, 2010</p> <p>Duration: Services are anticipated to begin in July 2010 and end in December 2015 for a duration of 5 years, and 6 months.</p>

<p>Evaluation and Selection Criteria:</p>	<p><u>Minimum Qualifications</u></p> <p>To qualify as a Prime Proposer or Lead JV Partner for this RFP, the Prime Proposer or Lead JV Partner must have successfully completed Construction Management services in a lead role for at least two (2) zoned embankment dam projects of at least 70 feet in structural height within the past fifteen (15) years, where "structural height" is defined as the difference between the dam crest elevation and lowest point in the dam foundation, and "zoned" is defined as including internal non-horizontal filters and/or drainage zones within the embankment. In addition, the Prime Proposer or Lead JV Partner must have successfully completed Construction Management services in a lead role for an infrastructure project or program, similar to the WSIP projects, with a constructed value of \$150 Million or more within the past ten (10) years.</p> <p><u>Evaluation and Selection</u></p> <p>The evaluation process consisted of three phases: Written Proposal including references, Panel Oral Interview and Overhead and Profit Schedule. The selection panel consisted of five members, including two staff members from SFPUC, one from the United States Bureau of Reclamation, one from the East Bay Municipal Water District, and one from Delta Diablo Sanitation District. All members had extensive construction and project management experience. The selection panel scored the written response packages, the responses from the references, as well as the oral interviews. The scores from the written evaluation, references, oral interview, and fee schedule were combined and tabulated according to the following scoring breakdown:</p> <table data-bbox="560 1102 1274 1281"> <tr> <td>1. Written Proposal (including References)</td> <td>55 Points</td> </tr> <tr> <td>2. Oral Interview</td> <td>30 Points</td> </tr> <tr> <td>3. Overhead & Profit Schedule</td> <td>15 Points</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">100 Points</td> </tr> </table> <p>The written scores were validated by the Human Rights Commission (HRC). All three proposing firms were short-listed to continue on with oral interviews. After the oral interviews, the written scores, along with reference scores and fee schedule scores were tallied and once again validated by HRC, and Black and Veatch was the highest ranked consultant.</p>	1. Written Proposal (including References)	55 Points	2. Oral Interview	30 Points	3. Overhead & Profit Schedule	15 Points	<hr/>		Total	100 Points
1. Written Proposal (including References)	55 Points										
2. Oral Interview	30 Points										
3. Overhead & Profit Schedule	15 Points										
<hr/>											
Total	100 Points										

Final Score Summary:							
		Written Proposal Score 55	Oral Score 30	Overhead & Profit Schedule Score 15	Points Subtotal 100	HRC Bonus or N/A	Total Score
	Firms						
	Black and Veatch	49.10	25.20	15	89.30	N/A	89.30
	MWH Constructors	47.00	25.68	14	86.68	N/A	86.68
	Paul C. Rizzo & Associates	40.20	20.04	15	75.24	N/A	75.24
Compliance With Chapter 14B: Local Business Enterprise (LBE) And Non-Discrimination In Contracting Ordinance:	A Human Rights Commission (HRC) sub-consulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized NOA compliance monitoring and advisory services, has been established for this agreement.						
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.						
Attachments:	<ol style="list-style-type: none"> 1. SFPUC Resolution 2. HRC Memo 						

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 10-0096

WHEREAS, The Calaveras Dam Replacement Project has been identified as a "Key Regional Project" to meet overall system performance and level of service objectives of the SFPUC's Water System Improvement Program (WSIP); and

WHEREAS, It is necessary to procure the services of a qualified Construction Management (CM) firm to provide specialized CM services to supplement SFPUC staff through Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services; and

WHEREAS, The estimated cost of services is not-to-exceed \$38,000,000; and

WHEREAS, The Request for Proposal was advertised on February 22, 2010; and

WHEREAS, Services are anticipated to begin in July 2010 and end in December 2015 and the duration of this agreement is up to 5 years and 6 months; and

WHEREAS, SFPUC staff and Human Rights Commission (HRC) review of the proposals resulted in the establishment of Black and Veatch as the highest ranking proposer; and

WHEREAS, A HRC subconsulting goal of 14% Local Business Enterprise (LBE) participation of the total labor value of the services to be provided, excluding specialized naturally occurring asbestos (NOA) compliance monitoring and advisory services, has been established for this agreement.; and

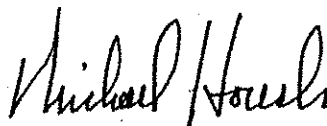
WHEREAS, Failure to reach successful agreement on contract terms and conditions within 30 days of the date of the Commission award may result in award of the contract to the next highest ranked proposer, or re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, The firm being awarded a contract by the SFPUC must be in compliance with the Equal Benefits Provisions of Chapter 12B of the City's Administrative Code either at the time of the award, or within 2 weeks of the date of the Commission award; failure of the bidder to obtain compliance certification from HRC may, in the General Manager's sole discretion, result in award of the agreement to the next highest ranked proposer, or re-advertising and re-selecting consultants at the discretion of the City; and

WHEREAS, Funds for this agreement will be available at the time of award of the agreement from Project CUW37401 – Calaveras Dam Replacement; now, therefore, be it

RESOLVED, That this Commission hereby approves the selection of Black and Veatch; awards Water Enterprise Water System Improvement Program-funded Agreement No. CS-911R, Calaveras Dam Replacement Construction Management Services, to provide construction management services; and authorizes the General Manager of the San Francisco Public Utilities Commission to negotiate and execute a professional services agreement with Black and Veatch for an amount not-to-exceed \$38,000,000, and with a duration of up to 5 years and 6 months, provided that expenditures shall be limited to pre-construction activities until such time as the Commission reviews and considers the Final Environmental documents and determines whether or not to approve the proposed Project, or in the event negotiations are not successful or City requirements are not satisfied, to negotiate and execute a professional services agreement with the next highest ranked proposer subject to Board of Supervisors approval pursuant to Charter Section 9.118.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *June 8, 2010*



Secretary, Public Utilities Commission



Gavin Newsom
Mayor

Contract Compliance
Dispute Resolution/Fair Housing
Small and Micro Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Theresa Sparks
Executive Director

MEMORANDUM

Date: June 1, 2010
To: Dan Wade, Project Manager, SFPUC
Bonita McGee, Contracts Administration, SFPUC
From: Andrew Houston, Contract Compliance Officer, HRC
Subject: Award Memo (CS-911R – Calaveras Dam Replacement Project Construction Management Services)

HRC has reviewed the consultant proposals and supporting documentation for the above referenced project. Based on this review, HRC has determined that:

- **MWH Constructors, Inc. ("MWH")** – The consultant proposal submitted by MWH is materially compliant with the pre-award 14B requirements.
- **Black and Veatch ("B&V")**. – The consultant proposal submitted by B&V is materially compliant with the pre-award 14B requirements.
- **Paul C. Rizzo Associates, Inc. ("PCR")**- The consultant proposal submitted by PCR is materially compliant with the pre-award 14B requirements.

Ratings Bonus

The LBE rating bonuses do not apply to this project, either for a single LBE Prime Proposer or for a Joint Venture (JV) with LBE participation because the project amount is in excess of \$10 Million.

Score Sheets and Score Tabulations

HRC has reviewed the score sheets submitted by the panelists and the final score tabulations from SFPUC Principal Contract Analyst Bonita McGee. Based on this information, the final rankings are:

FIRM	RANK
B&V	1
MWH	2
PCR	3



25 Van Ness Avenue
Suite 800
San Francisco
California 94102-6033



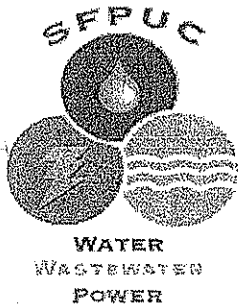
TEL (415) 252-2500
FAX (415) 431-5764
TDD (415) 252-2550
www.sfgov.org/sfhumanrights



B&V achieved the highest score. B&V met the 14% LBE subconsulting goal by listing the following LBE firms:

FIRM	SERVICE	LBE Status	LBE
Applied Technology & Science	Environmental	SF WBE	0.53%
Avila & Associates	Environmental	SF WBE	0.27%
BioMaAS	Environmental	SF MBE	0.88%
Darbi, Inc.	Safety Compliance & Cost Estimating	SF WBE	1.13%
DKGC, Inc.	Geotechnical	SF MBE	0.06%
Eagle Environmental & Construction	Safety Compliance	SF WBE	0.39%
Holman & Associates	Environmental	SF MBE	0.14%
Jonas & Associates, Inc.	NOA Monitoring	SF WBE	2.55%
Lee Incorporated	Surveying	SF WBE	2.08%
Sonika Corporation	Technical Resources	SF MBE	0.28%
Terra Engineers	Technical Resources	SF WBE	0.11%
Their PR	Public Outreach/Communications	SF WBE	5.07%
SCA Environmental, Inc.	NOA Monitoring	SF MBE	5.03
		Total:	18.52%

Based on the foregoing, HRC has determined that B&V has complied with pre-award HRC 14B requirements and is eligible for award of this contract. Should you have any questions please feel free to contact me at 415-551-4335 or ahouston@sfwater.org.



SAN FRANCISCO PUBLIC UTILITIES COMMISSION



City and County of San Francisco
San Francisco Public Utilities Commission
1155 Market Street, 11th Floor
San Francisco, California 94103

Agreement between the City and County of San Francisco and

Black and Veatch
CS-911R Construction Management Services
Calaveras Dam Replacement Project

This Agreement is made this _____ day of _____, 2010, in the City and County of San Francisco, State of California, by and between: **Black and Veatch** hereinafter referred to as "Contractor," and the City and County of San Francisco; a municipal corporation, hereinafter referred to as "City," acting by and through the San Francisco Public Utilities Commission.

Recitals

WHEREAS, the San Francisco Public Utilities Commission ("Department") wishes to retain a consultant for the provision of Construction Management Services for the SFPUC Water System Improvement Program's Calaveras Dam Replacement Project ("CDRP"); and,

WHEREAS, a Request for Proposal ("RFP") was issued on February 22, 2010, and City selected Contractor as the highest ranked proposer under the RFP selection process; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Agreement; and,

WHEREAS, approval for this Agreement was obtained from the Civil Service Commission by Notice of Action (PSC #4072-07/08) for Agreement No. CS-911R on January 7, 2008 and as modified on March 12, 2010; and,

WHEREAS, on June 8, 2010, pursuant to Resolution No. 10-0096, the San Francisco Public Utilities Commission awarded this Agreement, subject to approval by the Board of Supervisors under Charter section 9.118, and authorized the General Manager to execute this Agreement upon Board approval; and,

WHEREAS, approval for this Agreement was obtained from the San Francisco Board of Supervisors by Resolution No. _____ on _____, 2010;

Now, THEREFORE, the parties agree as follows:

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation.

This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization.

This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated.

City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Term of the Agreement.

Subject to Section 1, the term of this Agreement shall be sixty-six (66) months from the effective date as set forth in Section 3, below.

3. Effective Date of Agreement.

This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

4. Services Contractor Agrees to Perform.

The Contractor agrees to perform the services provided for in Appendix A, "Description of Services," attached hereto and incorporated by reference as though fully set forth herein.

5. Compensation.

Compensation shall be made in monthly payments on or before the thirtieth day of each month for work, as set forth in Section 4 of this Agreement that the General Manager of the Public Utilities Commission in his or her sole discretion, concludes has been adequately performed as of the last day of the immediately preceding month. In no event shall the amount of this Agreement exceed thirty-eight million dollars (\$38,000,000). Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

As part of this contract Task Orders will be prepared in accordance with Appendix A, Section 2. Task Orders will identify a detailed project scope, sub tasks, staffing plan, LBE utilization, schedule, deliverables, budget and costs to complete the task. Each Task Order shall identify the entire amount to which the Contractor shall be entitled to fully perform and deliver to the City all work identified in that Task Order.